

HOMELESSNESS AND POVERTY COMMITTEE REPORT and RESOLUTION relative to a request for authority to issue tax-exempt and taxable multifamily conduit revenue bonds or notes and authority to execute a loan in Community Redevelopment Agency (CRA/LA) of the City of Los Angeles Redevelopment Housing Bond Proceeds for the Palm Vista Apartments, a 91-unit supportive housing project, located at 20116-20128 Sherman Way.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. NOTE and FILE the Los Angeles Housing and Community Investment Department (HCIDLA) report, dated May 24, 2021, attached to the Council file relative to the issuance of tax-exempt and taxable multifamily conduit revenue bonds or notes for the Palm Vista Apartments project, located at 20116-20128 Sherman Way.
2. CONSIDER the results of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearing held on March 22, 2021, for the Palm Vista Apartments project, attached to the subject City Administrative Officer (CAO) report dated June 3, 2021, attached to the Council file.
3. ADOPT the accompanying RESOLUTION attached to the subject CAO report, authorizing the issuance of up to \$25,000,000 in tax-exempt multifamily conduit revenue bonds or notes and up to \$2,405,310 in taxable multifamily conduit revenue bonds or notes for the Palm Vista Apartments project, located at 20116-20128 Sherman Way.
4. AUTHORIZE the Controller to:
 - a. Establish a new account "43TA85-Palm Vista Apartments" within the Low and Moderate Income Housing Fund No. 55J/43.
 - b. Transfer \$97,755.19 from the Low and Moderate Income Housing Fund No. 55J/43 Cash/Restricted Account No. 1014 (4125 RP Housing Trust Series B – Taxable) to Unrestricted Cash Account No. 1010 and appropriate therefrom to Account 43TA85-Palm Vista Apartments.
 - c. Transfer \$1,202,244.81 from the Low and Moderate Income Housing Fund No.55J/43 Cash/Restricted Account No. 1014 (4157 RP Housing Trust Series C –Taxable) to Unrestricted Cash Account No. 1010 and appropriate therefrom to Account 43TA85-Palm Vista Apartments.
 - d. Expend funds upon proper demand of the General Manager, HCIDLA, or designee.

5. AUTHORIZE the General Manager, HCIDLA, or designee, to:

- a. Negotiate and execute the relevant bond or note documents for the Palm Vista Apartments project, subject to the approval of the City Attorney as to form.
- b. Expend funds not to exceed \$1,300,000 available from the former CRA/LA Redevelopment Housing Bond Proceeds deposited into the Low and Moderate Income Housing Fund No. 55J/43 for transactions related to affordable housing activities in the Reseda/Canoga Redevelopment Project Area upon proper documentation and satisfactory review by HCIDLA.
- c. Negotiate and execute a loan agreement with Palm Vista, LP using funds available through the former CRA/LA Redevelopment Bond Proceeds deposited into the Low and Moderate Income Housing Fund No. 55J/43, not to exceed \$1,300,000 for the development of the Palm Vista Apartments project, subject to the approval of the City Attorney as to form.
- d. Prepare Controller instructions and any technical adjustments consistent with the Mayor and Council actions related to this matter, subject to the approval of the CAO, and request the Controller to implement the instructions.

Fiscal Impact Statement: The CAO reports that there will be no impact to the General Fund as a result of the issuance of these multifamily conduit revenue bonds or notes for the Palm Vista Apartments project (Project). The City is a conduit issuer and does not incur liability for the repayment of the bonds or notes, which are a limited obligation payable solely from the revenues of the Project, and the City will in no way be obligated to make payments on the bonds or notes. Additionally, the \$1,300,000 loan commitment is fully funded by the Low and Moderate Income Housing Fund.

Financial Policies Statement: The CAO reports that the recommendations in the subject CAO report comply with the City's Financial Policies.

Debt Impact Statement: The CAO reports that there is no debt impact as these bonds or notes are a conduit issuance debt and not a debt of the City.

Community Impact Statement: None submitted.

SUMMARY:

At a regular meeting held on June 10, 2021, the Homelessness and Poverty Committee considered HCIDLA and CAO reports relative to a request for authority to issue tax-exempt and taxable multifamily conduit revenue bonds or notes and authority to execute a loan in CRA/LA Redevelopment Housing Bond Proceeds for the Palm Vista Apartments, a 91-unit supportive housing project, located at 20116-20128 Sherman Way. After providing an opportunity for public

comment, the Committee recommended to note and file the HCIDLA report and adopt the CAO report. This matter is now submitted to the Council for consideration.

Respectfully submitted,



HOMELESSNESS AND POVERTY COMMITTEE

MEMBER	VOTE
RIDLEY-THOMAS:	YES
DE LEON:	YES
BUSCAINO:	ABSENT
RODRIGUEZ:	YES
RAMAN:	YES

LC 06/10/21

-NOT OFFICIAL UNTIL COUNCIL ACTS-